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January 29, 2009

VIA ELECTRONIC FILING

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Petition of South Carolina Electric and Gas Company (Gas Operations) for Authorization to Defer Certain Charges to the Company's Financial Statements Resulting from the Impact of Recent Economic Developments on Pension Cost

Docket No.: 2009-35-G

and

Petition of South Carolina Electric and Gas Company (Electric Operations) for Authorization to Defer Certain Charges to the Company's Financial Statements Resulting from the Impact of Recent Economic Developments on Pension Cost

Docket No.: 2009-36-E

Dear Mr. Terreni:

The South Carolina Office of Regulatory Staff ("ORS") reviewed the above Petitions requesting permission to defer certain pension expenses for both gas and electric operations due to the current economic downturn. Based on its review and discussions with SCE&G, ORS has no objection to the requested deferrals. If SCE&G's Petitions are granted, ORS will monitor the changes to the pension deferral accounts.

Sincerely,



John W. Flitter

cc: Dan F. Arnett, Chief of Staff, SC ORS
Shannon Bowyer Hudson, Esquire, SC ORS
Catherine D. Taylor, Esquire
K. Chad Burgess, Esquire